

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

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	:	
ILLINOIS UNION INSURANCE COMPANY, et:	:	
al.,	:	
	:	20 Civ. 1086 (LGS)
Plaintiffs,	:	
	:	
-against-	:	<u>ORDER</u>
	:	
ACER RESTORATIONS LLC,	:	
Defendant.	X	

LORNA G. SCHOFIELD, District Judge:

WHEREAS, on May 8, 2020, the Court entered an Order to Show Cause for Default Judgment. Dkt. No. 33.

WHEREAS, pursuant to the Court’s Order at Docket No. 49, a show cause hearing was held on November 12, 2020, and Defendant did not appear.

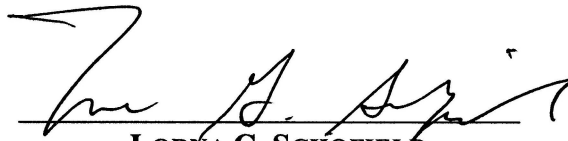
WHEREAS, “[i]n order to establish the right to rescind an insurance policy under New York law, an insurer must demonstrate that the insured made a material misrepresentation. A misrepresentation is material if knowledge by the insurer of the facts misrepresented would have led to a refusal by the insurer to make such contract. To establish materiality as a matter of law, the insurer must present documentation concerning its underwriting practices, such as underwriting manuals, bulletins, or rules pertaining to similar risks, that show that it would not have issued the same policy if the correct information had been disclosed in the application.” *Golden Ins. Co. v. PCF State Restoration, Inc.*, No. 17 Civ. 5390, 2020 WL 635533, at *3 (S.D.N.Y. Feb. 11, 2020) (internal citations and quotation marks omitted).

WHEREAS, Plaintiffs have alleged that “Illinois Union’s underwriting guidelines provide that Illinois Union will decline to write a Businessowners Policy if the applicant for that policy is involved in wood floor sanding, stripping or refinishing.” Dkt. No. 24-2, ¶ 34.

WHEREAS, Plaintiffs have alleged that “ACE’s underwriting guidelines provide that ACE will decline to write a Commercial Umbrella Liability Policy if the applicant for that policy is involved in wood floor sanding, stripping or refinishing.” Dkt. No. 24-2, ¶ 35. It is hereby,

ORDERED that, by **November 30, 2020**, Plaintiffs shall produce documentation of Illinois Union’s and Ace’s underwriting guidelines regarding the issuance of insurance policies to applicants involved in wood floor sanding, stripping or refinishing.

Dated: November 12, 2020
New York, New York



LORNA G. SCHOFIELD
UNITED STATES DISTRICT JUDGE